

CAUSE OF THE SHARP FALL IN VALUE OF GOD SEcurities

Comptroller of the Currency Williams Says Fall in Value is Due to "Unjustifiable Interest Exacted on Demand Loans by New York City Banks"—Contents That the Excessive Rates on Call Money is Depressing Seriously the Prices of All Investment Bonds and Standard Shares—Declares It Has a Harmful Effect on All Classes of People, and Reaches to the Remotest Corner of the United States and Its Possessions.

Washington, Oct. 17.—"Unjustifiable interest exacted on demand loans by New York city banks has been an active contributing cause of the sharp shrinkage in all security values during the past year," Comptroller of the Currency Williams declared tonight in a formal statement. He charged that call money rates in New York were the highest in the world and that "renewal" rates fixed daily by a small "coterie" of stock exchange brokers governed "the market" charged on "brokers' loans" in nearly all New York banks.

"The raising or lowering of the 'renewal' rate on the 'exchange,' said Mr. Williams, 'is frequently accompanied by upward or downward movements in stocks and securities; and these responsible for the fixing of the rate therefore have the opportunity, whether exercised or not, of profiting largely by operations on the stock market, which is so often and directly affected by the call money situation. I do not, of course, undertake to say that this informal money market does take improper advantage of their knowledge; but there are critics who severely censure the existing arrangement. Certainly all prudent and thinking businessmen will agree that there is danger in the concentration of such opportunity and power in the hands of a few persons. Temptations to use this power for individual profit must arise, and human nature is not changed by high position in the financial world."

"Power to fix money rates for all, or nearly all, of the banks in New York city and to change them daily, is a grip on the heart of our commerce. It permits such interference as a failure of judgment, will, or interest may direct with the natural and healthy movement of money. The life blood of business. The matter of arbitrarily fixing money rates at the money center, possible because of the national and international character of the money market, is a matter of security values and other property, is left to a small and varying number of private deals, and human nature is not changed by high position in the financial world."

"The evils and dangers of such a monopoly could be realized only by those who reach to the remotest corner of the union and its possessions and touch harmfully every class of people. The direct tendency is to reverse one of the fundamental purposes of the government, which is to promote orderly distribution of money through the country to meet needs of commerce and agriculture."

Excessive interest rates offered in New York artificially draw money away from outside communities through the banks, and often leave legitimate enterprises starved or pinched.

"While feeling no hesitations to real industrial of commercial wealth."

"I reiterate the statement previously made that the excessive interest rates in New York, in my opinion, have been a potent influence in depressing seriously the prices of all investment bonds and standard shares, the shrinkage in which, in the past 12 months, has amounted, in the case of the depreciation in Liberty bonds to several billion dollars."

Mr. Williams declared that although the renewal rate fixed by the committee was not a rate of interest, it nevertheless was admitted by practically every bank that its rate on call loans was changed to conform to the rate fixed by the committee.

As a result, Mr. Williams said, "it would be vain obviously for a borrower to hope to obtain money in New York at a lower rate by shifting his loan to some other bank."

The statement of the New York banks that all broker loans were raised or lowered simultaneously did not bear up under his investigation. Mr. Williams said he showed "apparent discrimination" on loans equally well secured and for similar purposes.

"For example," he continued, "when the renewal rate for a certain day within the last twelve months was posted on the stock exchange at 18 per cent., the report of one particular New York bank showed that on that day the bank was charging 20 per cent. on its own loans and 22 per cent. on loans for itself and its correspondents; 21 per cent. on \$1,000,000; 22 per cent. on \$500,000; 23 per cent. on \$250,000; 24 per cent. on \$125,000; 25 per cent. on \$62,500; and 26 per cent. on \$31,250."

Concerning the "coterie" of brokers which fix the call interest rate, Mr. Williams said that inquiry disclosed it consisted of 4 to 6 men, and that the stock exchange usually was represented by the "president or one or more of its governors." He said the fluctuations of the "posted" interest rate on brokers' loans had ranged from 8 to 17 per cent.

Between November 15, 1919, and July 27, last, on July 11, he recalled he had issued a statement assailing the high rates and declared that since that date the "posted" rate had not exceeded 10 per cent.

"It is no part of the function of a government official to moralize on speculative operations," Mr. Williams said. "My attention is demanded when such conditions produce conditions retarding the development of the country and endangering the stability of its business. Corporations, individuals and legitimate investments in new enterprises and in the shares and bonds of existing enterprises by the prospect of 10 to 20 per cent. interest."

The effect of these rates is seen when the general managers of executives of railroads or other large corporations visit New York to raise money necessary for the redemption of retiring loans or for the extension and promotion of new business. The bankers and bond houses, seemingly going to the high rates paid for call money and corporations whose credit abundantly justified a 5 per cent. or 6 per cent. interest have been forced to pay 7 per cent. or 8 per cent. or 10 per cent. on loans for one year, three years or five to ten years; and are sometimes persuaded by the bankers through whom they obtain the funds that they are doing well to get money even on such terms, because money on call has been advanced often artificially to 12 per cent. or 15 per cent. or 20 per cent. for a few days at a time."

The same cause that cripples and hampers a great railroad system of a

Constantine May Return to Greece

Former King Has Been Mentioned for Regency During the Illness of King Alexander.

Berlin, Oct. 17.—(By The A. P.) M. Zinovief, and M. Losowsky, Russian Soviet delegates to the independent socialist conference at Halle, have been ordered by the German government to leave the country. Their expulsion will be carried out under the direction of the Prussian minister of the interior.

Pending their departure the Russians will be under close police surveillance and will not be allowed to receive or communicate with friends.

A communist mass meeting today was largely attended. Police intervention was not required, however. Zinovief was present, but was too hoarse to speak.

KING ALEXANDER'S CONDITION IS SERIOUS

Athens, Oct. 17.—King Alexander, who is critically ill as a result of infection arising from the bite of a monkey, was slightly better today. His temperature at 11 o'clock was 101.5 Fahrenheit, and his pulse was 114.

The grave symptoms which were observed throughout Friday night were less pronounced today. The king's general condition, however, continued most serious.

TALK OF CONSTANTINE CLAIMING THE THRONE

Berlin, Oct. 17.—(Havas). Former King Constantine of Greece is reported here as intending to take advantage of the situation created by the serious illness of King Alexander, his son, by returning to Greece and claiming the throne. The Swiss authorities, it is stated, are taking measures to defeat the alleged plot formed in Switzerland against the present Greek government.

CONSTANTINE WILL NOT THINK OF A REGENCY YET

Geneva, Oct. 17.—(By The A. P.) Former King Constantine of Greece, replying from Lucerne to an inquiry regarding his attitude towards the regency for Greece being discussed in connection with the illness of King Alexander, telegraphed as follows:

"Sufficient unto the day is the evil thereof. I will not think of a regency yet. My plans are those of my people. (Signed) 'CONSTANTINE, KING.'"

The former king has been kept in close touch with King Alexander's condition.

The latest bulletins received here from Athens this morning said the king's condition was desperate and that he was not expected to recover.

CONDITION OF KING ALEXANDER IS DISQUIETING

Paris, Oct. 17.—The condition of King Alexander of Greece was very disquieting Saturday evening, said a message received by a Greek legation here tonight.

Although the king was not delirious, his temperature varied between 100.7 and 102.2. His pulse ran from 100 to 120, and his respiration from 30 to 40, the dispatch stated.

GERMAN SOCIALISTS ELECT ADOLF HOFFMAN PRESIDENT

Halle, Germany, Oct. 16.—After voting today the adherence of the party to the third international of Moscow, the independent socialist conference elected Adolf Hoffman, leader of the radical wing of the party, as the organization's president. The minority faction, which had been defeated by a vote of 237 to 158 on the question of adherence to the third international, had previously left the hall, the communist wing continuing in session. The minority members went into secret session, but announced that an open meeting of their faction would be held Sunday morning.

In the majority session, continuing after the election of Herr Hoffman, greetings were extended by the German socialist delegation to the gathering. He urged the conference to send a representative to the communist international organization.

Before the adoption of the majority resolution, George Ledebour and Heren Rosenfeld, Crispin and Dittmann offered a compromise resolution pledging the party to sympathy with the Soviet Union, but declining to join an organization "seeking to promote a world revolution through terror and destruction." This proposal, however, received scant consideration.

A flare-up was caused at one stage of the debate by Herr Hoffman calling Herr Ledebour an "old woman." The uproar was checked by Hoffman directing the members of his faction to be seated. The debate, after some little additional heckling, was confined to a few sentences by each speaker.

SWEDEN IS ASSURED OF FUEL ENOUGH FOR WINTER

London, Oct. 17.—Reports from Stockholm and throughout Sweden show that Sweden is able to face the British coal embargo without any serious inconvenience. The Swedish coal consumption is provided for, says an Exchange Telegraph despatch from Copenhagen today. Throughout the whole of Scandinavia, in fact, there are sufficient stocks to last for three months, with careful use, adds the message, and only a prolonged strike could materially affect communications and industries. The railways, the Stockholm gas and electric works and the yards of the coal importers hold large stocks of American and Australian coal, and it is not anticipated that the prices of domestic coal will be increased.

Denmark is said to have sufficient coal to last until January. Her railway stock is large and her industries are facing the strike with equanimity. Lighting services will continue, although restricted, and the theatres will be closed one night each week.

BRIEF REGRAMS

Belgium placed an order with Germany for 2,400 tons of foodstuffs.

The French cabinet approved the 1921 budget proposal totalling 44,101,900,000 francs.

Mackel has appeared in big schools off Cape Breton between North Sydney and Lunenburg.

Resignation of W. T. Chapman, secretary of the executive board effective Nov. 1, was announced.

A platform for a World's Brotherhood was adopted at the World's Sunday School Convention at Tokio.

Robbers stole \$100,000 worth of diamonds, refined gold and jewelry from the Streicher Mfg. Co. in Newark, N. J.

General Felix Diaz, Mexican rebel leader, recently exiled, arrived at Havana on the French liner Flandre.

Japan will establish a legation in Riga in the near future, the Latvian government having given assent.

Reclaimed clothing and shoes valued at approximately \$50,000 have been sold by the war department to the Polish government.

A heavy fog prevailed over New York and vicinity Saturday and caused a general interruption in harbor and river traffic.

Secretary of War Baker announced he will visit three campaign speeches in New Hampshire this week in behalf of Gov. Cox.

Bryan McMillen, of Dallas, Texas, air mail pilot of the Chicago-Omaha service, was killed when his plane fell near Batavia, Ill.

Independent German socialists in conference at Halle are expected to vote adherence to or rejection of the Moscow international.

Congressman Julius Kahn, republican of California, who arrived in New York, declared Governor Cox will not carry a single Western state.

Popocatepetl volcano, near Mexico City, was in eruption for the first time in nearly 400 years. A dense cloud of black smoke was emitted.

A military alliance discussed at Brussels between France, Belgium and Holland was rejected by almost unanimous opinion from Dutch newspapers.

U. S. Secret Service operators working with Canadian authorities, stopped, a train as it entered Ontario, and confiscated 200 cases of liquor.

Yongestown Shree and Tube Co. announced a plan for selling some 100,000 shares of its stock to employees on installment with bonuses to those who hold stock.

Guy Mason, a director of the League to Enforce Peace, issued a challenge to Senator Borah and Lieutenant Colonel Roosevelt to debate the League of Nations issue.

General Emile Fayolle, the French war hero, who attended the American Legion convention in Cleveland, as representative of Marshal Poch, left for France on the Lorraine.

Austrian National Assembly election campaign is nearing its close, attended by considerable rowdiness in Vienna and other cities and in the industrial towns of lower Austria.

At a conference between representatives of American and Cuban sugar importers and the Cuban government officials means for relieving the Cuban situation were taken up.

A ballot of the Federation of Master Cotton Spinners of Manchester counted in a vote to stop work Saturdays and Mondays for one month. It will affect 150,000 operatives.

Announcement was made in London that Charles Saunders Dundas, sixth Viscount Melville, will soon marry Miss Margaret Todd, an assistant in a barber shop in Edinburgh.

Six hundred natives of the Philippi Islands will arrive this winter if the U. S. S. Saturn, with 800 tons of food for the islands does not get to the Behring Sea before the ice forms.

Annual reports of the Clerk of the Municipal Court in Boston, shows there were 18,142 fewer arrests for drunkenness during the last court year, compared with the previous year.

Archdeacon Hudson Stuck, the first man to scale Mount McKinley, who died of pneumonia last week, was buried last Monday in a humble cemetery at Yukon, Y. T.

Premier Hara announced in a speech to the Munitions Commission the Japanese government would spend about \$1,250,000,000 in increasing the fortifications in Tokio Bay.

Miss Denise, the grade thoroughbred mare owned by the army remount service and ridden by Major Stanley Koch of the general staff was declared the winner of the 300 mile equine endurance test.

Secretary Houston announced that subscriptions to the last issue of treasury certificates of indebtedness will aggregate about approximately \$160,000,000. The treasury called for \$100,000,000 or thereabout.

Eight men were arrested for robberies, hold-ups, assaults and other crimes in New York city in recent months. Two of the men are believed responsible for the 52 robberies in Forest Hills section, Long Island.

Complaints that many slot vending machines in Philadelphia are awarded to the Bureau of Weights and Measures to assign inspectors to mark the machines which do not give full value for money put in them.

The title of champion waffle "ater of the world is claimed by Private Paul Francis Jones, U. S. Marine Corps. He established this claim by eating twenty-six and one-half of these corrugated pastries in thirty minutes flat.

The Swiss government has instructed the Swiss telegraph administration to make a contract with the Maxcon company for establishing a wireless station in Geneva during the meeting of the league of nations there in November.

A woman's offer of a \$10,000 bribe to a government official for the removal of 1,000 cases of whiskey shows evidence of the operations of a new interstate "boozing" ring, compelling with the Walter Sadler clique for control of the wholesale and retail coal trade.

Although statistics from central and western states show that there is an increased number of children working, figures show that there is a decrease of child labor in Pennsylvania.

Demands Made on Germany for Cattle

France Calls For 510,000 Head, Belgium 210,000, Serbia 157,000 and Italy 11,150.

Berlin, Oct. 17.—The allied reparations commission, according to the war department, has presented to the German government a demand for the immediate delivery of 10,000 bulls and 500,000 cows to France, 11,150 head of cattle to Italy, 210,000 cows to Belgium and 157,000 head of cattle to Serbia.

The congress of the majority socialist party at Cassel, adds the newspaper, has passed a resolution calling upon the socialist parties of all countries to prevent Germany from being compelled to hand over cattle to foreign countries especially to France.

SEARCHING FOR "TRUSTIES" WHO ESCAPED FROM SING SING

Ossining, N. Y., Oct. 17.—Seven posses, numbering more than 150 men, tonight spread out over the country for several miles in the vicinity of Sing Sing prison in a search for George Stivers and Marcus Bassett, "trusties," who escaped last night after falling three keepers and stealing an automobile from an Ossining resident.

Abandoning the first machine at Mount Kisco, N. Y., they stole another and, according to reports received by prison officials today, have been traveling about the country dodging bail and foraging for food. Reports from different points, the authorities said tonight, indicated the fugitives had covered more than 600 miles in the 24 hours following their escape.

Officials believe the men are armed with only one revolver. It was thought at first they obtained rifles from the guards they overpowered in escaping. One rifle, taken from a guard who recovered by another and today all of the prison weapons except the revolver were accounted for. Before leaving the prison the men cut the wires to the Berillon room, preventing the officials from sending out descriptions immediately.

After leaving Mount Kisco they were heard from at Newtown, Conn., where they entered a garage and forced the proprietor to furnish them gasoline. At Danbury, Conn., they held up a man from whom they took two overcoats, two caps and some money.

One of the keepers assaulted by the prisoners was seriously injured. Sing Sing officials said tonight.

Stivers, according to officials, was known as one of the most dangerous criminals ever sent to Sing Sing. Although only 21 years old, he was serving a life sentence for the murder of Policeman Samuel T. Cunningham in New York city in 1917. The death of the policeman was the climax of a 24-hour "upre" by Stivers. He stole his father's automobile and started out with a 13 year old girl companion in the car. He stole another. He was found by Policeman Cunningham, but before the officer could overpower him he drew a gun and shot him. He smashed the second auto in escaping, but with the girl evaded the police. Six months later he was captured and convicted of the murder.

JAIL BREAKERS PASSED THROUGH NEW MILFORD

New Milford, Conn., Oct. 17.—Constable William J. Kiefer of this town saw George Stivers and Marcus Bassett, escaped prisoners from Sing Sing prison, pass through here early today. He was able to identify the pair several hours later when he received a description of the automobile stolen by the prisoners from Mount Kisco, N. Y. Reports received by Constable Kiefer tonight were that the fugitives had been seen toward Milford, N. Y., in a small automobile, and possibly having abandoned the large Mount Kisco car.

ORGANIZING TO SPREAD COMMUNIST PROPAGANDA

Washington, Oct. 17.—Definite plans to spread communistic propaganda and organization throughout the east were laid at the recent congress of the people of the east at the Agricultural Congress in New York. The delegates to the state department. The 1,391 delegates attending the congress were sworn to have "taken a solemn oath, upon pain of excommunication, to work night and day to cause respective countries to rise against 'capitalism' and overthrow it."

Soviet Russia was the country most largely represented, it was stated, followed by Poland, Persia, Georgia and Asia. Fifty-five of the delegates were women.

TWO MEN KILLED IN MOTOR ACCIDENT AT BROCKTON

Brockton, Mass., Oct. 17.—Two men were killed, a girl was probably fatally injured and four other persons were seriously hurt late today when a motor automobile crashed into a store front when responding to a fire alarm. The men killed were William J. Sullivan, 45 years old, and John Johnson, 18.

Miss Esther Bergman, 18, a critical condition, was taken to a hospital. Patrolman Frank S. Bonney and three firemen also were taken to the hospital.

The accident was believed to be due to a short turn made by the driver. The car smashed through the front of the building, ran the length of the store and broke through the rear wall.

TO TRY THWART STEALING OF COMING ELECTIONS IN GREECE

New York, Oct. 17.—Greeks and American citizens of Greek extraction passed resolutions at a mass meeting here today asking President Wilson to order the United States government in thwarting the "fraudulent and shameless stealing of the forthcoming elections in Greece by Venizelos, the dictator."

Resolutions charged that political opponents of the present government in Greece have been imprisoned, deported and shot down in the streets in an effort to terrorize the electorate to support the present government in the approaching elections.

FRANCE DESIRES IMPORTATION OF COAL FROM AMERICA

Paris, Oct. 17.—France wishes to encourage the importation of American coal and the drawback granted importers has been raised from 100 francs per ton to 150. This drawback will remain in force until January, 1921. Gas companies and railroads have coal stocks about equal to their present supplies, which in the case of the railroads ran approximately 150,000 tons. In 1919 the average coal supply of the railroads was only 240,000 tons.

FIRST DEATH AMONG THE HUNGER STRIKERS IN CORK

Fitzgerald Died Last Night, After Having Fasted 68 Days—The Prison Doctors and a Cork Specialist Gave Treatment to the Dying Man With the Consent of the Hunger Strikers—Pope Benedict Has Referred the Problem of the Status of the Irish Hunger Strikers to the Congregation of the Holy Office, the Oldest Congregation of the Roman Catholic Church.

Cork, Oct. 17.—(By The A. P.)—The first death among the hunger strikers in Cork jail occurred tonight. Fitzgerald died at 9:45 o'clock, having fasted sixty-eight days.

The condition of Fitzgerald and Murphy had become so grave today that with the consent of the other hunger strikers the prison doctors were permitted to give Fitzgerald medical treatment. A Cork specialist also was called in. The problem before the congregation of the Holy Office, which settles questions of faith and morals and judges heresy. This is the oldest congregation of the Roman church. It was created by Paul III in 1542 and was originally called the Holy Inquisition. The present pontiff modified it and added to it the Congregation of the Index, which has to do with literature.

The pope is prefect of this congregation and Cardinal Merry Del Val is secretary. The secretary will be submitted the opinions and investigations of those concerned in the case. These reports will be entrusted to one of the cardinals belonging to the congregation, who will present his report to a plenary meeting of the Holy Office, which also includes Cardinals Gasparri, the papal secretary, Pomilio, Van Rossum, Frubirth, Billi, Giustiniani and Giorgi.

The process in matters concerning this congregation is so long that it generally takes several years to reach a definite decision.

POPE BENEDICT REFERS MACKINNEY CASE TO COUNCIL

Rome, Oct. 16.—Pope Benedict, according to information secured today, has referred the problem of the status of Lord Mayor Mackinney of Cork and the other Irish hunger strikers to the congregation of the Holy Office.

Many urgent appeals to make some pronouncement regarding the case of the Lord Mayor of Cork and the other Irish hunger striking prisoners have been received by the pope. These appeals are divided between those who urge that he implore the pontiff to reach a decision, and whether the death of the prisoners as a result of their hunger strike would make them suicides.

FARMER-LABOR PARTY APPEALS TO COLORED VOTERS

Topkapi, Oct. 17.—An appeal to the colored voters of America to enroll under the banner of the farmer-labor party and denunciation of foreign policies of both the democratic and the republican parties marked an address here tonight by Parker Parker Christian, farmer-labor candidate for president.

The same imperialistic motives for the benefit of Wall street animate both the democratic and republican parties, said Mr. Christian. "Of course, this actual motive is always vanquished with a spurious veneer of morality to deceive the people."

And then there are those like Mr. Wilson who, as Artemus Ward once remarked, "are willing to sacrifice all their wife's relations" to make the world safe for democracy.

"We in America should have better taste than to talk of making the world safe for democracy. We, with our Bureau of Prisons, our Palmer, our deportations, our lynching, our army, our navy, our imperialism, are all too ready to make the world safe for our colored brothers."

"It is not inappropriate in this state which played so important a part in the abolition movement, that I say something about the attitude of the republican party towards the demands for justice voiced by the colored people."

The republican party professes to be the champion of the rights of the colored people. They declare that it is the republican party which was instrumental in emancipating them, and they depend on this contention to swing the colored vote. But it is obvious to anyone with eyes to see that the republican party today resembles the republican party of '61 in name only.

"I maintain that the republican party is not entitled to the colored vote, because its heart is really not in the cause. There is in that party no passion for that kind of justice, whether it be social or political."

I invite the colored citizenry of America to consider the cause of the farmer and labor party. We demand justice for them not only for their sake but because we believe they can contribute as much as any other people toward the making of a better America."

POLES HAVE TAKEN MINSK SINCE SIGNING ARMISTICE

London, Oct. 17.—A wireless dispatch received here today from Moscow asserts that since the armistice between the Poles and the soviet was signed the Poles have occupied Minsk. The dispatch says the Poles should retire from this city in accordance with the treaty and declares that the occupation should serve as a warning to Russia to continue to strengthen the western front.

Other dispatches say that General Wrangel, General Petlura, General Savinkoff and General Volkovitch are negotiating with a view to uniting their forces for an offensive against the Russian soviet armies, and that Count Palen in Latvia is collecting the remnants of the army of General Yudenitch for the same purpose.

TO STOP CIRCULATION OF COMMUNIST PROPAGANDA

New York, Oct. 17.—Immediate action to stop the circulation of communist party propaganda in the public schools of New York city was urged today by the American Defense Society in a letter to Anning S. Prall, president of the board of education.

In its letter to President Prall, the society said it had learned school children were being used to distribute handbills inciting "The Workers of America" to declare war against the "capitalist state."

BRITISH COAL MINERS WENT ON STRIKE SATURDAY

London, Oct. 17.—No strike was entered upon with less passion on either side, says the Manchester Guardian, commenting on the coal miners' strike. "The good will may not last under the pressure of the strike, but it is a great help that the strike is not being entered into in an atmosphere of unreasoning hatred."

The fear of virtually all the editorial comment of the newspapers at the week end was: "Keep your heads and save coal."

TWO DEATHS RESULT FROM RIOTING IN NORTH BELFAST

Belfast, Oct. 17.—Two deaths occurred today as a result of the rioting in the Marrowbone district of North Belfast Saturday night. The victims were Matthew McMaster and William Mitchell, who succumbed to gunshot wounds. One man was killed outright during the rioting and several others were seriously injured.